

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@bjllp.com

August 24, 1998

RECORDATION NO. 21600 FILED

AUG 24 '98 2-30 PM

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement, a primary document, dated as of August 21, 1998. We request that this document be given the next available Recordation Number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

LaSalle National Leasing Corporation
502 Washington Avenue
Towson, MD 21204

Lessee:

Camus Prairie RailNet, Inc.
2350 Airport Freeway, Suite 230
Bedford, TX 76022

A description of the equipment covered by the Memorandum of Lease Agreement consists of one B-23-7 locomotive numbered CSP 6 (formerly numbered LRCX 4012).

BALL JANIK LLP

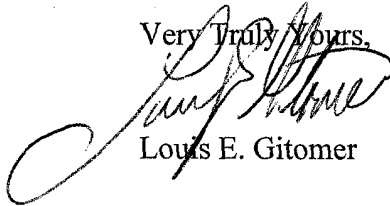
Honorable Vernon A. Williams
August 24, 1998
Page 2

A fee of \$ 26.00 is enclosed. Please return one original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement between LaSalle National Leasing Corporation, 502 Washington Avenue, Towson, MD 21204, and Camus Prairie RailNet, Inc., 2350 Airport Freeway, Suite 230, Bedford, TX 76022, covering one B-23-7 locomotives numbered CSP 6 (formerly numbered LRCX 4012).

Very Truly Yours,

A handwritten signature in dark ink, appearing to read "Louis E. Gitomer", written over the typed name.

Louis E. Gitomer

Enclosures

MEMORANDUM OF LEASE AGREEMENT

RECORDATION NO. 21600 FILED

dated as of August 21, 1998 AUG 24 '98 2-30 PM

between

CAMAS PRAIRIE RAILNET, INC.
as Lessee,

and

LASALLE NATIONAL LEASING CORPORATION
as Lessor

FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301
on _____, 1998 at __:__.m.

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of August 21, 1998, by and between LASALLE NATIONAL LEASING CORPORATION ("Lessor"), and CAMAS PRAIRIE RAILNET, INC. ("Lessee"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, (a) one (1) General Electric model B23-7 Locomotive bearing reporting mark CSP 6 (formerly LRCX 4012).

All of such locomotives are more fully described in that certain Equipment Lease Agreement dated as of April 30, 1998, and the Schedule of Equipment thereto, incorporating the terms thereof and dated as of August 21, 1998 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee.


2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

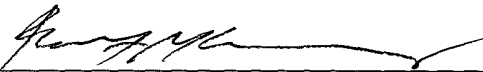
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

LASALLE NATIONAL LEASING CORPORATION

By: 
Name: _____
Title: **CONSTANCE W. LANCASTER**
VICE PRESIDENT

CAMAS PRAIRIE RAILNET, INC.

By: 
Name: Robert F. McKenney
Title: Chairman and Chief Executive Officer

STATE OF MARYLAND)
) ss.
COUNTY OF Baltimore)

On this 26th day of August, 1998 before me appeared Constance W. Lancaster the person who signed this instrument, who acknowledged that (s)he is the Vice President of LASALLE NATIONAL LEASING CORPORATION and that, being duly authorized, (s)he signed such instrument as a free act on behalf of said corporation.

[Seal] REGINA M. MCMANUS
NOTARY PUBLIC
BALTIMORE COUNTY

Regina M. McManus
Notary Public

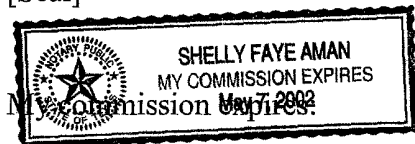
My commission expires:

10/29, 2000

STATE OF Texas)
) ss.
COUNTY OF Tarrant)

On this 18 day of August, 1998 before me appeared Robert F. McKenney, the person who signed this instrument, who acknowledged that the is the Chairman and Chief Executive Officer of CAMAS PRAIRIE RAILNET, INC. and that, being duly authorized, he signed such instrument as a free act on behalf of said corporation.

[Seal]



Shelly Faye Aman
Notary Public

LASALLE NATIONAL LEASING CORPORATION

SCHEDULE OF EQUIPMENT

Lessee: CAMAS PRAIRIE RAILNET, INC.

Approved By: *PM*
(Lessee to initial each page)

Attached to Bill of Sale dated

August 21, 19 98
and/or

Equipment located at:

325 Mill Road

Street No.

Interim Promissory Note No. 10

Lewiston

City

Nez Perce

County

ID

State

83501

Zip

Manufacturer and/or
Vendor Name & Invoice No.

Description

Livingston Rebuild Credit

1

- Model B23-7 locomotive bearing reporting mark
CSP6 (formerly known as LRCX4012)

Invoice No.: 4122